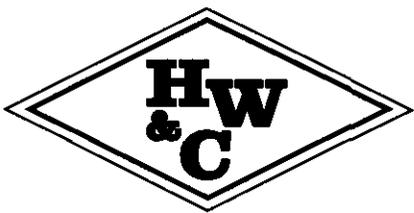


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CERTIFIED PUBLIC ACCOUNTANTS

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August 2, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11/09/05

Recreation and Park Commission
for the Parish of East Baton Rouge

We have performed the procedures enumerated below, which were agreed to by the management solely to assist you in demonstrating compliance with your Purchasing Card Policy from August 2003 thru June 2005. The Recreation and Park Commission for the Parish of East Baton Rouge's management is responsible for the Organization's financial statements and accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The agreed-upon procedures that were performed and the related findings are as follows:

We performed the following procedures to verify that the Purchasing Card Policy is being followed:

- Haphazardly selected six (6) months to examine invoices for credit card purchases from August 2003 to June 2005. The following months were selected: November 2003, June 2004, December 2004, January 2005, March 2005, and June 2005.
- From the six (6) months selected, haphazardly selected ten (10) invoices each month from various cardholders.
- Agreed total amount charged on each cardholder statement to the consolidated card statement.
- For the invoices selected, traced amounts charged on the credit card statements to the corresponding invoice.
- Scanned all card statements for the six (6) months selected to verify that no single purchase was greater than the policy limit of \$500. There were two (2) instances of noncompliance in which cardholders exceeded the policy limit of \$500, and are as follows:
 - ▶ John Henderson purchased five (5) 52" fans for \$645.00 in March 2005.
 - ▶ Chris Marchiafana purchased Quick Books and other software for \$545.35 in June 2005.

- Examined merchandise restrictions form for each cardholder and verified that restricted purchases were not made on the invoices selected.
- Obtained list of cardholders with their job description and the names of supervisors who are authorized to approve purchases to verify that approved merchandise is being purchased by the cardholder and an authorized individual is authorizing the purchases. There were three (3) instances of noncompliance in which proper approval was not obtained and are as follows:
 - ▶ Glenn Tullier did not have signed approval by a supervisor for the purchase of fuel pumps in January 2005.
 - ▶ John Henderson did not have signed approval by a supervisor for the purchase of a battery drill in January 2005.
 - ▶ Jules Young signed the approval of his purchases of a laminator and camp supplies in March 2005.
- The following are additional attributes that were used in testing the card purchases:
 - ▶ Transactions are business related.
 - ▶ Transactions are tax exempt.
 - ▶ Merchandise is not paid for prior to delivery of goods.
 - ▶ Credits are secured if merchandise is returned.
 - ▶ No cash advances.

From the invoices selected above, we performed the following procedures to verify that purchased items are used for their intended purpose:

- Haphazardly selected three (3) items to physically inspect to verify the existence of these items.
- Haphazardly selected three (3) separate purchases for vehicle parts and examined the work order for which these parts were used.

The Purchasing Card Policy requires that the Purchasing Section of the Finance Department examine cardholder's transaction logs and sales receipts to determine that all charges are approved by a department supervisor, and that all purchases are appropriate and comply with purchasing procedures. As indicated above, the lack of proper approval and purchases in excess of \$500 was not detected by the Purchasing Section of the Finance Department.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the Recreation and Park Commission for the Parish of East Baton Rouge's financial statements or accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of BREC, and is not intended to be and should not be used by anyone other than these specified parties.

Yours truly,

Hawthorn, Weymouth & Carroll, L.L.P.